

~~BENJAMIN J. CAYETANO~~
GOVERNOR



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STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
Med-QUEST Division
Policy and Program Development Office
P. O. Box 339
Honolulu, Hawaii 96809-0339
January 11, 2000

Ms. ~~Linda~~ Minamoto
Associate Regional Administrator
Health Care Financing Administration
Division of Medicaid
75 Hawthorne Street, ~~Suite~~ 401
San Francisco, California 94105

Dear Ms. **Minamoto**:

RE: STATE PLAN AMENDMENT TN NO. 00-003

We request your review for approval of **State Plan Amendment TN No. 00-003** regarding the proposed amendments to ~~our~~ approved Title XXI (CHIP) **State Plan**. The CHIP **State Plan** is being submitted in its entirety ~~because~~ the proposed amendments, along with the utilization of the **State** Department of Health's 1998 Hawaii Health Survey **results**, significantly impacted various sections of the document.

The following are the ~~proposed~~ amendments.

1. Hawaii will repeal the phase-in approach; instead, we will enroll all uninsured children under 19, ~~whose~~ family's income does not exceed 200% of the federal poverty limit for Hawaii.
2. Hawaii will ~~require~~ children applying for the Title XXI Medicaid expansion be uninsured for a ~~period~~ of ~~six~~ (6) months ~~before~~ being eligible for Title XXI coverage.
3. Hawaii will exempt children ~~who~~ lose their health coverage from the 6-months **Waiting** period for the following reasons:
 - a. loss of job by a parent subscriber;
 - b. voluntary termination of COBRA health coverage;
 - c. long-term disability of a parent subscriber; **and**
 - d. parent subscriber becoming under-employed.

AN EQUAL OPPORTUNITY AGENCY

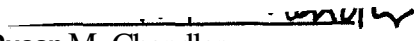
4. Hawaii will submit an amendment to ~~our~~ Title XIX State Plan, to request elimination of the asset test for children under age nineteen.
5. Hawaii will submit to CMSO amendments to the approved Hawaii QUEST 1115 application to request:
 - a. elimination of the asset test for children under age nineteen in Hawaii QUEST;
 - b. exempt children under age nineteen ~~from~~ the QUEST ~~maximum~~ enrollment provision; and
 - c. elimination of the ~~premium-share~~ and spenddown requirement for a child under age nineteen in QUEST-Net, whose family income does not exceed 200% of the federal poverty level for Hawaii during the Title XXI six-month ~~waiting~~ period.

The State will also request that HCFA reimburse ~~the~~ State the regular Federal medical assistance percentage for these additional Title XIX expenditures. ~~As~~ a result, we ~~request~~ that a child who is affected by ~~this~~ proposal be allowed to move into Hawaii's Title XXI Medicaid expansion, seamlessly.

We request your earliest review and approval of the proposed amendments to allow for ~~our~~ planned implementation on July 1, 2000.

If there are any questions, please contact Ms. Pearl Tsuji of our Med-QUEST Division, Policy and ~~Program~~ Development Office at (808) 692-8080.

Sincerely,


Susan M. Chandler
Director

Enclosure

c: Ms. Sue Castleberry, Hawaii State Representative
Ms. Mary Rydell, Pacific Area Regional Representative
~~Ms. Marie Boulmetis, CMSO~~

Section 1. General Description and Purpose of the State Child Health Plans (Section 2101)

The state will ~~use~~ funds provided under Title XXI primarily for (~~check~~ appropriate box):

- 1.1.

☐

Obtaining coverage that meets the requirements for a State Child Health Insurance Plan (Section 2103); OR
- 1.2.

☒

Providing expanded benefits under the State’s Medicaid plan (Title XIX); OR
- 1.3.

☐

A combination of both of the above.

.. ~~This~~ request is aimed at receiving approval to amend Hawaii’s Title XXI Medicaid expansion program. The State Plans to provide coverage to uninsured children under 19 whose countable family income ~~does~~ not exceed 200% of the Federal Poverty Level. (Refer to Attachment B – Title XXI Proposed Coverage)

Section 2 General Background and Description of State Approach to Child Health Coverage
(Section 2102(a)(1)-(3)) and (Section 2105)(c)(7)(A)-(B))

- 2.1. Describe the extent to which, and manner in which, children in the state including targeted low-income children and other classes of children, by income level and other relevant factors, such as race and ethnicity and geographic location, currently have creditable health coverage (as defined in section 2110(c)(2)). To the extent feasible, make a distinction between creditable coverage under public health insurance programs and public-private partnerships (See Section 10 for annual report requirements).

CREDITABLE HEALTH COVERAGE FOR HAWAII'S CHILDREN

Hawaii's Prepaid Health Insurance Act enacted in 1974 established the mandate for Hawaii employers to provide medical benefits to all employees working an average of 20 or more hours per week. While the Act does not require dependent coverage, if offered to employees, it must provide child health services (i.e. immunizations, well-child visits) from the moment of birth through age five.

As a result of this Act, the majority of Hawaii's working population and their families have been covered by creditable medical and psychiatric benefits through employer-based health plans. In 1998, of the estimated 1.148 million people in Hawaii, 93.5%, or 1.073 million people, were covered by health benefits.

FPL STATUS	INSURANCE COVERAGE			TOTAL
	Insured	Uninsured	Unknown	
0 - 100%	37,084	5,366	0	42,450 (13.55%)
101 - 185%	76,979	4,292	0	81,271 (25.95%)
186 - 200%	11,065	103	0	11,168 (3.56%)
201 - 300%	60,303	3,054	0	63,357 (20.23%)
>300%	111,591	3,076	207	114,874 (36.68%)
Total	297,022	15,891	207	313,120 (100%)

* The health insurance data collection for the annual Hawaii Health Survey has been jointly funded by a Title V grant through the federal MCH Bureau, and the Primary Care Cooperative Agreement grant through the federal Bureau of Primary Health Care. Both grants are administered by the State's Title V agency - the Family Health Services Division of the Department of Health.

SOURCES OF CREDITABLE HEALTH COVERAGE FOR HAWAII'S CHILDREN
-- PRIVATE HEALTH PLANS AND MEDICAID

In 1998, employer-based health plans provided benefits for approximately 74.62% of insured children in Hawaii. The remaining 25.38% or 75,396 children were covered by either the state's Medicaid Aged, Blind, and Disabled (ABD) fee-for-service program, or Hawaii's Section 1115 Waiver Program -- the QUEST and QUEST-Net Programs.

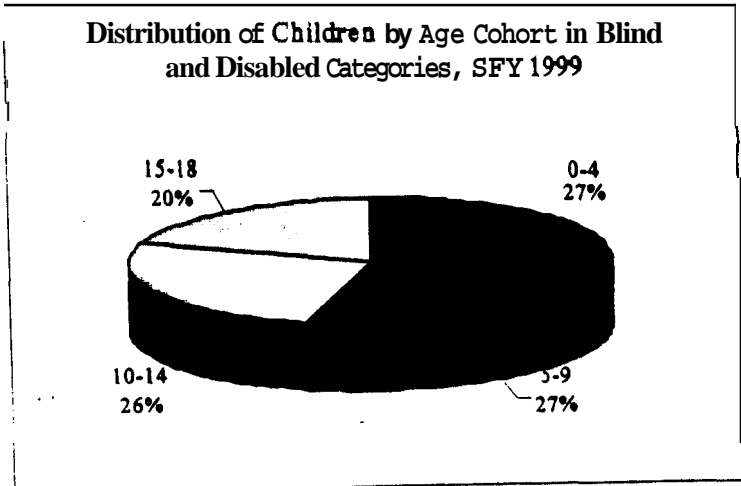
Medicaid Aged, Blind and Disabled (ABD) Program

Medicaid's Title XIX program provides health coverage for children with disabilities who meet SSI criteria and are:

- Ages 0 < 1 with family incomes up to 185% FPL with no asset test requirement;
- Ages 1 < 6 with family incomes up to 133% FPL, also without an asset test requirement;
- Ages 6 < 17, born after 9/30/83, who have family incomes up to 100% FPL with no application of an asset test; and
- Children < 19, born before 9/30/83 with family incomes up to 100% FPL, who must meet the asset test.

In SFY 1999, 1,537 children under 19 years of age were categorized as blind or disabled recipients, eligible for the Medicaid fee-for-service program. This represents about 4% of all recipients in the Aged, Blind and Disabled (ABD) population. In contrast, there were only 1,389 children, categorized as blind and disabled in SFY 1998. Figure 1 shows the children distribution of specified age cohorts for the ABD population in SFY 1999.

Figure 1



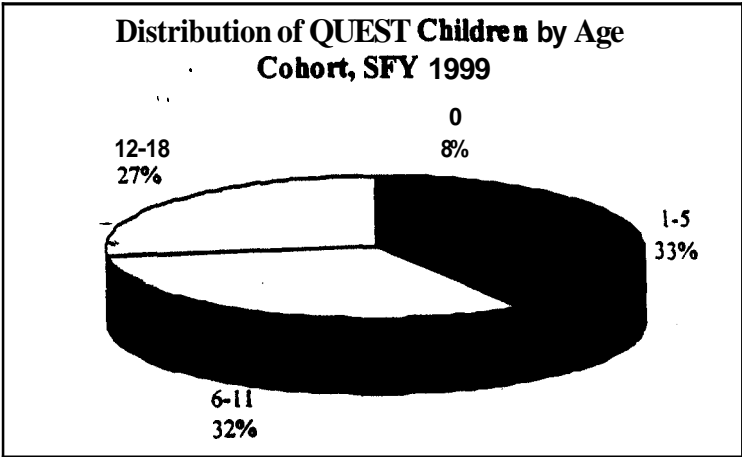
Source: MMIS, HMSA-Medicaid

Hawaii's Section 1115 Waiver Program

Hawaii QUEST Program

In SFY 99, 93% of the children receiving Medicaid Program services are being provided comprehensive health benefits, including EPSDT services, through the QUEST program Hawaii's Section 1115 waiver program. In FY 1999, of the 123,402 persons enrolled in QUEST, 69,859 or 56.6% were children under age 19. Figure 2 shows the distribution of QUEST children by age cohort in SFY 99.

Figure 2



Reflecting the State's overall population distribution, the majority of QUEST-enrolled children (66%) are Oahu residents, with the number of children on the islands of Hawaii, Maui, Kauai, Molokai and Lanai following, respectively. As with Medicaid's FFS population; about 8% of all QUEST children (5,800) are under the age of one. Figure 3 shows the percentage distribution of children by island in the QUEST programs at the end of SFY 99.

¹ This figure denotes equivalent member years, and not unique member count.

Figure 3

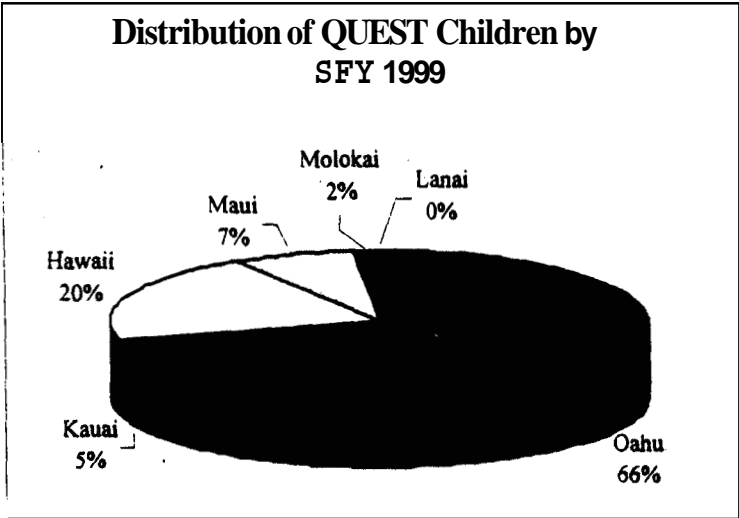
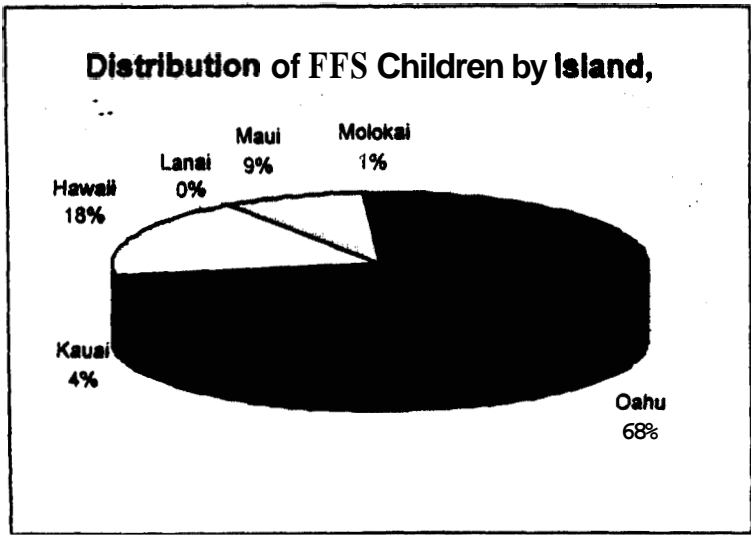


Figure 4 shows the percentage distribution of children by island in the Medicaid fee-for-service program at the end of SFY97. (Note: Data for SFY99 is not expected to differ significantly from 1997.)

Figure 4



QUEST Program Changes

Initiated in August 1994, the QUEST Medicaid expansion program provided coverage for approximately 108,000 recipients who had been enrolled in three separate public-funded medical assistance programs – Aid to Families with Dependent Children (AFDC, now TANF), the General Assistance program, and the State Health Insurance

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Program (**SHIP**). The latter program, with an enrollment of 20,000, was a state-funded initiative developed to provide limited health benefits to adults and children in the uninsured gap group.

With an income eligibility limit of 300% FPL and a no-asset test requirement, the QUEST managed care program received an overwhelming response in the first year of operation -- approximately **157,000 persons** were enrolled in QUEST, 47,000 above the initial membership projection of 110,000.

While the implementation of QUEST had resulted in decreased per capita costs, the State recognized that Medicaid's overall budget could not sustain the continuing enrollment growth. Initial amendments to QUEST's eligibility criteria and premium sharing provisions were therefore, initiated in August **1995**. In February **1996**, a further adjustment **was** applied to the sliding premium **share** scale, adult dental benefits were reduced to emergency care only, and a QUEST enrollment cap **of** 125,000 **was** activated. While the QUEST cap continues to be in place, protections continue for the following groups of people:

- Recipients of AFDC or General Assistance;
- Pregnant women and infants (age 0 < 1) whose countable family income does not exceed **185% FPL**;
- Children age 1 but less *than* **6**, whose countable family income does not exceed **133%** of FPL;
- Children 6 years to under age **19 born after September 30, 1983** whose countable family income does not exceed 100% FPL;
- Persons whose countable family income does not exceed the AFDC standard of assistance;
- Children in **foster** care, under the relative placement program **administered** by the Department, or covered by Title **IV-E**, or state-funded subsidized adoption agreements; and
- **Individuals who lose** employer-sponsored health coverage due to loss of employment **within 45** days prior to application.

In April 1996, **additional** changes to QUEST were initiated in response to a legal challenge ~~maintaining that QUEST's~~ eligibility criteria violated the equal accommodations provision of the Americans with Disabilities Act (ADA). **An** asset test consistent with Medicaid's fee-for-service program was applied to QUEST members. Additionally, **adults** with a family income above **100%** FPL were required to pay **100%** of their medical, dental and catastrophic care premiums. And, in December **1997**, to address the same lawsuit calling for parity between the QUEST **and** ABD programs, the state lowered QUEST's income limit **from** 300% FPL to **100%** FPL. Budgetary constraints could not support the option of increasing the ABD populations' income limit to 300% **FPL**.

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The QUEST-Net Program -- A Safety Net

Recognizing that changes in QUEST's eligibility criteria would result in people becoming ineligible for QUEST, the State initiated the QUEST-Net program in April 1996. Developed as a safety net program for persons with incomes above 100% FPL, QUEST-Net has provided health coverage through the QUEST health and dental plans for: 1) persons enrolled in QUEST who no longer meet QUEST's income and asset criteria; and 2) persons enrolled in Medicaid's FFS program, who, among other criteria, have assets that rise above the Medicaid asset limit, but fall within the higher asset limit of QUEST-Net.

A required monthly premium of \$60 per person for all QUEST-Net enrollees with incomes above 100% FPL provides QUEST-Net adults with a limited health benefit package. Children in QUEST-Net however, continue to receive full QUEST benefits. For QUEST-enrolled families with incomes above 100% FPL who were required to pay the full premium share for each child (approximately \$152 PMPM), the QUEST-Net program's \$60 premium has provided a more affordable alternative.

In December 1999, a total of 2,726 children were enrolled in QUEST-Net out of the approximately 5,800-member enrollment.

HAWAII'S UNINSURED CHILDREN BY AGE AND INCOME LEVEL

The following Tables present the findings of the 1998 Hawaii Health Survey conducted by the State's Department of Health. *The variance between the numbers in the individual cells and total is due to rounding to the nearest whole number.*

Unlike the 1997 Hawaii Health Survey, the 1998 "Survey" did not gather data on uninsured children from uninsured/insured households; therefore, Tables 1, Uninsured Children From Insured Households By FPL Status; and 3, Uninsured Children From Uninsured Households By FPL Status are deleted.

Table 1.
TOTAL UNINSURED CHILDREN BY FPL STATUS

AGE	INCOME					TOTAL
	0 - 100%	101 - 133%	134 - 185%	186 - 200%	201 - 300%	
0	0	137	48	0	407	592
1 - 6	1,609	843	458	0	974	3,884
7 - 14	2,107	471	1,452	69	1,218	5,317
15 - 18	1,651	215	669	34	455	3,024
TOTAL	5,367	1,666	2,627	103	3,054	12,817

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According to this 1998 Hawaii Health Survey data:

- Approximately 12,817 children with family incomes up to 300% FPL were uninsured; and
 - 9,763 or 76.17% of these uninsured children had family incomes up to 200% FPL.
- Additionally, the 1998 data also indicates that approximately 5,305 children or (41.39% of 12,817) may have met Medicaid's 1998 income eligibility criteria but had not been enrolled in the Medicaid program. (See Table 2 below.) And 4,458 children (34.78% or 12,817) who are projected to be eligible for the Title XXI Medicaid expansion. (See Table 3 below.)

Table 2.
UNINSURED CHILDREN BY FPL STATUS
WHO ARE PROJECTED TO BE MEDICAID ELIGIBLE BUT NOT YET ENROLLED

AGE	INCOME LEVEL			TOTAL
	0-100%	101 - 133%	134 - 185%	
0	0	137	48	185
1 - 6	1,609	843		2,452
7 - 14	2,107			2,107
15 - 18	561			561
TOTAL				5,305

According to the data above, the largest group of children meeting Medicaid's income eligibility criteria who were not yet enrolled were preschool-age children, 1 up to age 6 with family incomes up to 133% FPL (approximately 2,452 children). School-age children, ages 7 - 14 follow, with teens, ages 15 - 18, next. The number of uninsured children under age 1 with family incomes up to 185% FPL appears to be significantly lower -- approximately 185. This most probably reflects the proactive advocacy efforts in the State aimed at identifying and enrolling low income pregnant women and their newborns.

Table 3
UNINSURED CHILDREN BY FPL STATUS WHO ARE PROJECTED TO BE
ELIGIBLE FOR TITLE XXI PROGRAM

AGE	INCOME LEVEL				TOTAL
	62.6% - 100%	101 - 133%	134 - 185%	186% -200%	
0	0	0	0	0	0
1 - 6	0	0	458	0	458
7 - 14	0	471	1452	69	1,992
15 - 18	1090	215	669	34	2,008
TOTAL	1090	686	2,579	103	4,458

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The ~~overall~~ projections of the number of uninsured children ~~are~~ sobering and unsettling in light of the State’s current economic difficulties. Today, business failures in Hawaii ~~are~~ up 60% over 1996, the number of bankruptcies are second in the nation, the State’s unemployment rate ~~has~~ surpassed the national average, and Hawaii’s ailing economy continues to suffer ~~from~~ the ripple effect of the unstable Asian ~~market~~. At a time when the State’s health and social service programs increasingly become targets of funding reductions, there ~~are~~ numerous indications that the number of uninsured ~~persons~~ in Hawaii will continue to grow.

2.2. Describe the current state efforts to provide or obtain creditable health coverage for uncovered children by addressing: (Section 2102)(a)(2)

2.2.1. The steps the state is currently taking to identify and enroll all uncovered children who are eligible to participate in public health insurance programs (i.e. Medicaid and state-only child health insurance):

~~With the increasing restrictions on the State’s Medicaid budget and the existing enrollment cap for QUEST ,current State outreach efforts have primarily focused on targeting children with disabilities as well as those groups (see page 7) who are protected from the enrollment cap.~~

☐ To address the potential needs of persons who are losing their jobs due to downsizing or closing of businesses, the Public Information Officer and other staff from the Med-QUEST Division, Hawaii’s Medicaid agency, participate in the State’s Rapid Response Program and conduct on-site Medicaid informational sessions. While adults are often ineligible, children may qualify for QUEST, or if disabled, the Medicaid FFS program.

☐ Informational brochures about Medicaid programs and Medicaid applications continue to be placed in:

- The State Office of Information;
- QUEST health plan offices;
- All State welfare offices. These brochures and informed State welfare staff have played an increasingly important role since the implementation of TANF and the “de-linking” of welfare and medical assistance benefits, For eligible persons, Sate welfare staff coordinate with Medicaid’s Eligibility Branch.

- **Community** health centers. According to Hawaii’s community health centers operating in 26 sites on the islands of Oahu, Maui and Hawaii, nearly 70% of their clients had income levels below 100% of FPL in 1996. **As** a result of their efforts to target outreach and care to particularly vulnerable groups, the greatest proportion of their clients are persons with low incomes who are Medicaid eligible, and include indigenous native Hawaiian/part-Hawaiian people, persons who are homeless, and ~~those~~ in immigrant populations. ~~With~~ the intensified difficulties in Hawaii’s economy, these primary ~~care~~ centers have experienced increasing numbers of uninsured visits. Medicaid provides reimbursement for **staff** at these primary ~~care~~ centers who provide Medicaid information to clients and assist with the application process.

☐ Outstationing -- In addition to the ~~staff~~ cited above who work out of primary care FQHC’s on **Oahu**, Medicaid **also** provides reimbursement for ~~staff~~ stationed at ~~an~~ Oahu-based hospital serving large numbers of Medicaid recipients (**DSH**). These ~~persons~~ assist with expeditious enrollment of Medicaid eligible ~~persons~~, particularly, pregnant women, newborns, other ~~protected classes~~, and children with disabilities.

- ☐ Informational sessions have been conducted by the Med-QUEST Division for groups such **as**:
- Pregnant ~~teens~~ at various **high** schools in conjunction with St. Francis Medical Center;
 - Head Start programs such **as** Parents and Children Together (PACT) ;**and**
 - **Community-based** organizations, such **as** the **AIDS** Community **Care** Team, a statewide consortium of HIV-~~related~~ care and case **management** agencies.

And at events such **as**:

- Health fairs; and
- **The annual** statewide **QUEST** informational presentations for **the** community-at-lar ge.

☐ Contact **numbers** for information about Medicaid eligibility criteria **and** requests for Medicaid applications **are** available through **ASK-2000** , a statewide informational hotline providing ~~free~~ and confidential information and referrals.

☐ Additionally, **as** a result of statewide public health initiatives for early identification and intervention, significant efforts have been placed on identifying

and enrolling potential Medicaid eligible children with special needs into QUEST or "Medicaid's Title XIX programs.

- The maternal/child, and children's advocacy networks, including organizations such as the Hawaii Perinatal Support Group, Healthy Mothers Healthy Babies Coalition, and the Developmental Disabilities Council insure that member agencies are apprised of Medicaid eligibility criteria and methods for accessing services.

☐ Coordinated information sharing and activities between the Med-QUEST Division and various offices of the State's Department of Health, such as those listed below, also occurs.

These offices, providing or contracting for direct services and/or case management/care coordination Services for groups such as pregnant women, children from birth to age 3, and pre-school age children, have been instrumental in identifying and referring clients to the Medicaid Eligibility Branch for eligibility determination:

- Family Health Services Division (Title V), particularly through programs such as the:
 - Zero-To-Three Program;
 - Children with Special Health Needs Program;
 - Mother's Care;
 - BabySAFE - a pretreatment intervention program for pregnant women with substance abuse problems;
 - Family Planning Services Section.
 - WIC Program
- a Child and Adolescent Mental Health Division
- a Alcohol and Drug Abuse Division
- Public Health Nursing Branch

2.2.2. **The steps the state is currently taking to identify and enroll all uncovered children who are eligible to participate in health insurance programs that involve a public-private partnership:**

The Hawaii Health Council, comprised of organizations such as the Healthcare Association of Hawaii, HMSA – the Blue Cross/Blue Shield insurance company in Hawaii, the State’s Department of Health, Hawaii State AFL-CIO, Hawaiian Electric Industries, Hawaii Medical Association, Hawaii Chamber of Commerce, Kaiser Foundation Health Plan, Inc., Hawaii Nurses Association and Kapiolani Community College, has been addressing the need to develop limited-benefit health insurance coverage for uninsured children who would not be eligible for Medicaid or Title XXI. To promote coordinated efforts, members from this Council are also participants on the State’s Title XXI Planning Committee.

23. **Describe how the new State Title XXI program(s) is (are) designed to be coordinated with such efforts to increase the number of children with creditable health coverage so that only eligible targeted low-income children are covered: (Section 2102)(a)(3)**

The state will ensure that coordination occurs through implementation of the following measures:

- 1. Eligibility determination for the State’s Title XXI program will be performed by the State Medicaid agency’s Eligibility Branch (EB), whose staff is currently responsible for determining eligibility for Medicaid’s fee-for-service, QUEST and QUEST-Net programs.
- 2. Additionally, the State’s same Medicaid application form will be used to determine eligibility for Medicaid and Title XXI programs. This form has the capacity to collect necessary information to first screen for Medicaid eligibility and, if determined to be ineligible for Medicaid, then, determine the child’s eligibility for the State’s Title XXI program.
- 3. To ensure that Title XXI coverage is targeted to children in families who have not been able to afford dependent coverage or for whom health coverage has not been available, a “firewall” strategy is being proposed. The implementation of this strategy is intended to prevent crowd-out from private employer-sponsored health coverage.

Specifically, the State will be requiring children applying for the Title XXI Medicaid expansion be uninsured for a period of six (6) months before being eligible for Title XXI coverage. Exceptions to this 6-month rule will be made for those children who lose their health coverage due to a parent subscriber losing their job and children who lose their COBRA health coverage. In addition, children who lose their health coverage due

to termination of a parent subscriber’s health benefits **as** a result of a long-term disability or a ~~parent~~ subscriber becoming under-employed, will be exempt from the **6-month** firewall.

In terms of ~~verifying~~ loss of health coverage due to loss of employment, the Med-**QUEST** Division’s Eligibility Branch will follow existing procedures -- the HIPAA certification form currently completed by **an** individual’s health insurance company, and verifying that the person **has** lost health coverage due to job loss or ~~reduction~~ in hours.

The State intends to obtain information for the evaluation of the firewall strategy:

- By revising the application’s current health insurance-related question to request current and prior insurance coverage. **The** current application requests the applicant to identify only current coverage. The question will be slightly modified to ask whether **the** applicant has **had** coverage within the past 6 ~~months~~. Only slight modification will be made in order to maintain the three (3) page application **form**.
 - If the answer to the insurance-related question is “Yes,” the details being requested on the current application will continue to be required -- a) ~~name(s)~~ of the ~~person(s)~~ covered; b) insurance ~~company(ies)~~ **name(s)**; c) policy or claim ~~number(s)~~; and d) the policy holders’ **name** and address.
 - The State will modify its eligibility determination process to have the eligibility worker **probe** for **reasons** for termination of insurance coverage. If the individual voluntarily terminated insurance coverage in order to obtain CHIP coverage, the worker will deny the application and explain that another application may be filed **after** 6 months of being ~~uninsured~~. The **State intends** to establish a denial code to **track** application ~~denials~~ due to the 6-month firewall.
4. Additionally, the **State is also proposing** to submit **an** amendment to Hawaii’s Section 1115 waiver document **and** Title XIX (Medicaid) **State Plan** requesting elimination of the ~~asset~~ test for children ~~under~~ 19 in **QUEST** and Medicaid Fee-For-Service.
5. The **State is also** proposing to submit **an** amendment to **Had’s** Section 1115 waiver document requesting exempting children under 19 from ~~the~~ **QUEST** maximum enrollment provision.

Monitoring/Evaluation of Crowd-Out Strategies

The State acknowledges that these strategies may not be sufficient to prevent substitution. The Med-QUEST Division will therefore, carefully monitor and evaluate the outcomes, and will initiate changes if needed. More specifically, the State proposes a monitoring/evaluation process that will include:

- 1. Data collection of the number of Title XXI Medicaid expansion applications that are denied due to non-compliance with the 6-month rule. (Exceptions are identified on pages 13 and 14.)
- 2. Evaluation of the data collected during the first year of implementation.
- 3. If the total number of denied applications reaches a minimum threshold of 10% of all Title XXI applications processed, the State will make policy changes, including consideration for establishing a more stringent 9-month firewall rule:.

Section 3. General Contents of State Child Health Plan ~~(Section 2102)(a)(4))~~

☒ Check here if the state elects to use funds provided under Title XXI only to provide expanded eligibility under the state’s Medicaid plan, and continue on to Section 4.

3.1. Describe the methods of delivery of the child health assistance using Title XXI funds to targeted low-income children: ~~(Section 2102)(a)(4))~~

3.2. Describe the utilization controls under the child health assistance provided under the plan for targeted low-income children: ~~(Section 2102)(a)(4))~~

Section 4. Eligibility Standard and Methodology. (Section 2102(b))

☒ Check here if the state elects to use funds provided under Title XXI only to provide expanded eligibility under the state’s Medicaid plan, and continue on to Section 5.

4.1. The following standards may be used to determine eligibility of targeted low-income children for child health assistance under the plan. Please note whether any of the following standards are used and check all that apply. If applicable, describe the criteria that will be used to apply the standard. (Section 2102)(b)(1)(A))

- 4.1.1. ☐ Geographic area served by the Plan:_____
- 4.1.2. ☐ Age:_____
- 4.1.3. ☐ Income:_____
- 4.1.4. ☐ Resources (including any standards relating to spend downs and disposition of resources):_____
- 4.1.5. ☐ Residency:_____
- 4.1.6. ☐ Disability Status (so long as any standard relating to disability status does not restrict eligibility): _____
- 4.1.7. ☐ Access to or coverage under other health coverage:_____
- 4.1.8. ☐ Duration of eligibility _____
- 4.1.9. ☐ Other standards (identify and describe):

4.2. The state assures that it has made the following findings with respect to the eligibility standards in its plan: (Section 2102)(b)(1)(B))

- 4.2.1. ☐ These standards do not discriminate on the basis of diagnosis.
- 4.2.2. ☐ Within a defined group of covered targeted low-income children, these standards do not cover children of higher income families without covering children with a lower family income.
- 4.2.3. ☐ These standards do not deny eligibility based on a child having a pre-existing medical condition.

4.3. Describe the methods of establishing eligibility and continuing enrollment. (Section 2102)(b)(2))

4.4. Describe the procedures that assure:

- 4.4.1. Through intake and follow-up screening, that only targeted low-income children who are ineligible for either Medicaid or other creditable coverage are furnished child health assistance under the state child health plan. (Section 2102)(b)(3)(A))

- 4.4.2.

That children found through the screening to be eligible for medical assistance under the **state** Medicaid plan under Title XIX are enrolled for such assistance under such plan. (~~Section 2102(b)(3)(B)~~)
- 4.4.3.

That the insurance provided under the state child health plan does not substitute for coverage under group health plans. (~~Section 2102(b)(3)(C)~~)
- 4.4.4.

The provision of child health assistance to targeted low-income children in the state who are Indians (~~as~~ defined in section 4(c) of the Indian Health Care Improvement Act, **25 U.S.C. 1603(c)**). (~~Section 2102(b)(3)(D)~~)
- 4.4.5.

Coordination with other public and private programs providing creditable coverage for low-income children. (~~Section 2102(b)(3)(E)~~)

Section 5. Outreach and Coordination (Section 2102(c))

Describe the procedures used by the state to accomplish:

5.1. Outreach to families of children likely to be eligible for assistance or under other public or private health coverage to inform them of the availability of, and to assist them in enrolling their children in such a program: (Section 2102(c)(1))

The Outreach Subcommittee of the State’s Title XXI Planning Committee served as the core for initiating a broad spectrum of outreach strategy recommendations. Subcommittee members will also continue to serve as a coordinating group for continued development of the design, implementation and evaluation of the approaches outlined below. Members of the group include representatives from the:

- Department of Health • Family Health Services Division (the State’s Title V agency), the Public Health Nursing Branch, and the State’s Immunization Program;
- Department of Human Services, Med-QUEST Division – Public Information Officer and program staff assigned to the State’s Title XXI program;
- Catholic Charities Family Services – a private, non-profit agency with a long history of providing a broad range of health and support services for low-income children, families, and the elderly, including mobile van services providing outreach and care to the homeless in rural areas on Oahu and Hawaii, and the
- Hawaii Primary Care Association (HPCA) - a private, non-profit organization advocating for: 1) access to quality primary care for persons with barriers to health care, and 2) the community health centers serving these individuals.

The HPCA, acting as the State’s lead agency, recently received a grant from the Robert Wood Johnson Foundation for the “Covering Kids” program -- a national health access initiative for low-income, uninsured children. This three-year initiative will facilitate state efforts to: 1) design and conduct outreach programs that identify and enroll eligible children into Medicaid and other coverage programs; 2) simplify enrollment processes; and 3) coordinate existing coverage programs for low-income children. Many Title XXI Outreach Subcommittee members were also involved in the development of the HPCA proposal and care was exercised to insure that outreach strategies were complementary.

Selection of Hawaii as a RWJ demonstration site will allow for:

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- 1) The initiation of new activities, such as: a) a pilot program using telecommunication and mobile outreach vans to improve enrollment in isolated rural communities; b) a pilot program to pre-test presumptive eligibility in a specified geographic area; c) establishment of an electronic link between the State's Department of Health and Department of Human Services to eliminate the need for parents of Hawaii-born children to produce hard copy birth certificates; d) training of WIC staff from the state's 37 clinic as QUEST outreach eligibility workers; and
- 2) The expansion of outreach activities that the State will have initiated such as: a) the Train-the-Trainer program; b) a media campaign; c) working with community-based organizations and state agencies to assist with information dissemination; d) expansion of a public informational hotline to allow for initial screening for eligibility; and e) working on developing partnerships with schools, WIC, Head Start, and the Native Hawaiian Health Care Systems to incorporate QUEST enrollment screening into routine intake procedures for other benefits.

The sections below outline the primary avenues of the State's proposed outreach campaign aimed at informing, and assisting with enrolling children who are likely to be eligible for either Medicaid's FFS or QUEST programs or the Title XXI's Medicaid expansion. Given the State's limitations in financial and human resources, prioritization of these approaches is still under discussion.

5.1.1. Use of the existing outreach approaches outlined in Section 2.2.1.;

5.1.2 Expanding outreach efforts through coordination with the existing networks providing services to the largest group of uninsured children -- low income children ages 1 - 6.

5.1.2.1 Preschools and Child Care Centers

- Hawaii Association for the Education of Young Children (HAEYC) is the Hawaii Chapter of the national organization, with sub-chapters on each island (7). Its membership of approximately 800 includes the majority of Hawaii's pre-schools, family child centers, as well as State Department of Education teachers.
- Alu Like is a private, non-profit organization providing services to Hawaiian/Part Hawaiian families. One of their programs, Pulama I Mu Keiki (Cherish the Children) is a parent education program for families with children (newborns to age 3), implemented by parent (peer)

educators. ~~This~~ program, based on a home visit model, is federally funded ~~through the~~ Native Hawaiian Education Grant. A new “back to work” voucher program ~~assists~~ low-income Oahu families who have children ages 3 - 5 years ~~with~~ finding and paying for preschool services.

- Kamehameha School Bishop Estate operates between 30 - 40 preschools in specific geographical locations throughout the state. These preschools serve up to 1,000 four year-olds of Hawaiian/Part Hawaiian ancestry ~~who are~~ randomly selected for admission by a lottery. While income level is not one of the admission criteria, many children receive financial assistance or tuition waivers.
- Good Beginnings Alliance is a private, non-profit agency playing a multifaceted role ~~as an~~ umbrella network. Its efforts ~~are~~ aimed at promoting quality early childhood care/services for children ages 0 - 5 in targeted areas throughout the State.
One facet of its work is funded by the Child Development Block Grant administered by the State’s Department of ~~Human~~ Services. These monies fund coordinators in each county who provide oversight for the development and the implementation of county-specific plans crafted by Good Beginnings **Community** Councils.,

Good Beginnings ~~Keiki~~ (Children’s) Contacts Project, one of the Alliance’s ongoing services, has recently been awarded a \$45,000 grant ~~from~~ the HMSA Foundation. ~~This~~ service is unique in that, ~~Keiki~~ Contactors provide education about topics ~~such as~~ parenting skills wherever parents and their children gather in their homes, in parks or in preschool settings. The recent HMSA grant award, in conjunction with State funds, will allow for the expansion of outreach activities to families regarding information about child health and development issues. ~~As~~ the Alliance initiates ~~this program~~, it is enthusiastic about coordinating ~~with~~ the Med-QUEST Division to ~~insure~~ that Medicaid program eligibility and enrollment information is also provided.

- Other preschools and child care centers throughout the State through programs ~~such as~~ **PATCH (Parents Attentive to Children) - PATCH** is ~~an~~ information and referral source for parents seeking pre-school or child care services. Members include **PATCH** child care and center-based providers ~~as well as~~ interested members of the community who ~~are~~ kept ~~apprised~~ through a newsletter. **PATCH** also sends newsletters to parents, and ~~maintains~~ a resource ~~data base~~ used to provide parents with service-related information.
- Child Care Connection, Department of ~~Human~~ Services • In addition to licensing preschools, child care centers, after-school programs, and infant and toddler programs throughout the State, these State offices on each island ~~also~~ administer

a preschool/child care subsidy program for low-income families with children ages 0 - 13 years old.

- **Head Start Programs** - Like programs across the nation, Hawaii’s federally-funded Head Start Program provides comprehensive educational and health services (including dental services and behavioral health consultations) to low-income children throughout the State.

5.1.2.2 Working with the Department of Health

- o The Med-QUEST Division will initiate efforts to collaborate with the State’s Department of Education, and the School Health Nurses and Health Aides of the Department of Health. This outreach effort will initially be aimed at providing Medicaid program information and follow-up to grade school students: 1) who are enrolled in the National School Lunch Program, and 2) whose emergency contact cards indicate that they have limited or no health coverage.

5.1.2.3 Community-based organizations will be asked to disseminate information about the program and the referral process to potentially eligible families. These organizations include, but are not limited to:

- Places of worship/churches such as, the Hawaii Ecumenical Council, and the “Faith in Action” (FACE) program. FACE is composed of 18 churches working together to identify and assist congregation members with social issues, providing home visits and care through parish nurses;
- Activity-based organizations - For example, athletic/sports-related organizations such as: American Youth Soccer Organization (AYSO), Police Athletic League-sponsored sports (youth baseball, football, and basketball teams); scouting organizations; and Hula Halau (schools of hula);
- o Public housing community associations, and community-based organizations providing social, educational, and recreational services to youth such as: Palama Settlement; the Suzannah Wesley Center; and the YMCA and YWCA.

5.1.2.4 Developing and/or continuing ongoing coordination with existing organizations and State agencies including, but not limited to:

- Service provider networks such as:
 - Catholic Social Services, the organization providing outreach and care to the homeless population through mobile van services;
 - AIDS Community Care Team - a statewide consortium of organizations providing services to persons with HIV/AIDS that also administers the State’s Ryan White service funds;
 - o The substance abuse provider network;

- Advocacy organizations such as the Developmental Disabilities Council; the Alliance for Mental Illness; State Children’s Council; *Papa Ola Lokahi* (Hawaiian health advocacy organization) as well as other organizations in the Native Hawaiian Health System; and the Homeless Coalition;
- **QUEST** health and dental plans;
- e Healthcare provider organizations such as, the Hawaii Medical Association; the American Academy of Pediatrics • Hawaii Chapter; the Hawaii Nurses Association; the Hawaii Dental Association; the Healthcare Association of Hawaii; ER Physicians’ organization; Discharge Planners Association, and the Case Management Association;
- e The State’s Unemployment Office; Office of Youth Services; and the Judiciary;
- The Department of Health’s Dental Health Division, servicing low-income persons and/or persons with disabilities. This Division currently provides Medicaid benefits information and assistance with completion of the application for persons accessing their services, and
- Shriners Hospital, the pediatric orthopedic facility that has provided since 1923, free surgical and rehabilitative orthopedic care to more than 17,000 children from Hawaii and the Pacific Basin.

5.1.3 Coordinating with the existing network providing services to pregnant women, women of reproductive ages and their children, who have little or no ongoing linkages with existing health and social service systems.

5.3.1.1 State’s Title V Agency • Family Health Services Division, Department of Health (DOH)

Specific emphasis will be placed on strengthening the partnership between the State’s Medicaid and the Title V agencies. The numerous Family Health Services Division programs currently serving low-income pregnant women, women at-risk, young children at-risk or those with special needs, have been proactive about ensuring that clients, appropriate for Medicaid, are enrolled into either the fee-for-service program or **QUEST**. To enhance current efforts, discussions with the Family Health Services Division have resulted in a mutual commitment to intensify and expand a jointly coordinated outreach plan.

Improving current efforts

Many agencies in the Title V network receiving Maternal/Child Health Block Grant monies are currently providing Medicaid information and/or enrollment assistance to their clients. For example:

- Mother’s Care, a statewide prenatal education and awareness program includes QUEST and Medicaid Title XIX informational brochures in packets provided to pregnant moms;

- o The Perinatal Support Clinics throughout the State also provide Medicaid information ~~and, many~~ on ~~Oahu~~, operating out of the community health centers, have staff reimbursed by Medicaid ~~who perform~~ initial application processing functions;
- Case managers with the Children with Special Health Needs Program, Zero-To-Three Program, and Healthy ~~Start~~ also provide benefits. counseling and application assistance.

Expanding outreach efforts within the Family Health Services Division

At a ~~minimum~~, Medicaid program information will be made available on a statewide basis in the clinical and services sites of the following programs:

- WIC Services Branch - In addition to Medicaid informational brochures, ~~HPCA~~ will pursue its recommendation to ~~work~~ with ~~DHS~~, Med-QUEST Division to ~~train~~ WIC ~~staff~~ to serve ~~as~~ outstationed eligibility workers at WIC clinic sites.
- Children with Special Health Needs Branch
In addition to the Children with Special Health Needs Program and the Zero-To-Three ~~Program~~ where information is currently available ~~through~~ special services such ~~as~~ the Hawaii Keiki Information Service (H-KISS), brochures will also be placed in the Infant and Toddler Section:
 - o ~~Infant~~ and Toddler Development Program that provides direct therapeutic ~~services~~ (OT, PT and Speech) for children with developmental delays; and the
 - o Preschool Developmental Screening Program providing services to children ages 3 - 5.
- o M a t e d ~~and~~ Child Health Branch, including the
 - Child Health Services Section ~~that~~ implements the State’s Lead screening program;
 - Early Head ~~Start~~ Program that provides psychosocial ~~support~~ services; and the
 - o Family Planning Services Section
In addition to the family planning clinics ~~operating~~ out of the primary care ~~clinics/community~~ health centers, informational brochures will be placed in the offices of physicians ~~who~~ have ~~been~~ contracted with to provide family planning services.

5.1.3.2 Developing ~~ongoing coordination~~ with programs such ~~as~~ the:

- Department of Education’s High School *Hapai* (Pregnancy) Coordinators, ~~who~~ provide supportive services to pregnant teens; and
- Kapiolani’s Teen Intervention Program administered by the medical center for women and children in the state.

5.1.4. Developing and implementing “Train the Trainer” sessions aimed at training staff from ~~both~~ the public and private sectors who will train others involved in outreach efforts about, at a minimum, the:

- Medicaid programs’ eligibility criteria and the application process;
- How to assist applicants with completing the Medicaid application;
- Documentation requirements for eligibility determination;
- Medicaid program benefits;
- ~~The~~ QUEST program and managed care.

5. 1.5 Developing easy-to-understand instructions (at the 5th grade level and printed in English, Ilocano/Tagalog, Chinese, Samoan, Vietnamese, and Korean) to assist applicants with completing the Medicaid application form.

5.1.6 Establishing an 800 hotline, accessible on a statewide basis for enrollment information, including Medicaid program information, eligibility criteria, assistance ,with completing the application form, and contact ~~number(s)~~ for more information. The State is also intending to link up with the National Governor’s Association’s “Insure ~~Kids~~ Now” toll-free hotline services ~~that~~ will be connecting families nationwide to the appropriate agency/~~persons~~ in their own state.

5.1.7 Developing a Medicaid program website to provide information about Medicaid programs.

5.1.8 Developing a media campaign, that will include:

- Conducting a contest to name-the-program and develop a logo;
- ~~Seeking a~~ celebrity spokesperson;
- Initiating ~~press~~ releases and feature articles for major, local and ethnic ~~newspapers~~;
- Distributing public service announcements for radio and TV;
- Arranging for ~~bus~~ advertising cards;
- Submitting ~~an~~ application to the Ad Council for the “Ad2” program (~~The~~ Ad Council develops a media campaign for one selected program each year).

5.1.9 Developing links with the business community and foundations to enlist their support with activities such ~~as~~ information dissemination and the media campaign.

5.2 Coordination of the administration of this program with other public and private health insurance programs: (Section 2102(c)(2))
The outreach efforts described above apply to each Medicaid program -- the fee-for-service program, **QUEST**, and the Title XXI Medicaid expansion. Additionally, staff stationed in the FQHC and the disproportionate share hospital on Oahu will be performing application processing activities for children eligible for Title XXI as well as Medicaid's Title XIX and Section 1115 waiver programs.

Section 6. Coverage Requirements for Children’s Health Insurance (Section 2103)

☒ Check here if the state elects to use funds provided under Title XXI only to provide expanded eligibility under the state’s Medicaid plan, and continue on to Section 7.

6.1. The state elects to provide the following forms of coverage to children:
(Check all that apply.)

- 6.1.1.

☐ Benchmark coverage; (Section 2103(a)(1))
- 6.1.1.1.

☐ FEHBP-equivalent coverage; (Section 2103(b)(1))
(If checked, attach copy of the plan.)
- 6.1.1.2.

☐ State employee coverage; (Section 2103(b)(2)) (If checked, identify the plan and attach a copy of the benefits description.)
- 6.1.1.3.

☐ HMO with largest insured commercial enrollment (Section 2103(b)(3))
(If checked, identify the plan and attach a copy of the benefits description.)
- 6.1.2.

☐ Benchmark-equivalent coverage; (Section 2103(a)(2)) Specify the coverage, including the amount, scope and duration of each service, as well as any exclusions or limitations. Please attach signed actuarial report that meets the requirements specified in Section 2103(c)(4). See instructions.
- 6.1.3.

☐ Existing Comprehensive State-Based Coverage; (Section 2103(a)(3)) [Only applicable to New York; Florida; Pennsylvania] Please attach a description of the benefits package, administration, date of enactment. If “existing comprehensive state-based coverage” is modified, please provide an actuarial opinion documenting that the actuarial value of the modification is greater than the value as of 8/5/97 or one of the benchmark plans. Describe the fiscal year 1996 state expenditures for “existing comprehensive state-based coverage.”
- 6.1.4.

☐ Secretary-Approved Coverage. (Section 2103(a)(4))

- 6.2. The state elects to provide the following forms of coverage to children:
(Check all that apply. If an item is checked, describe the coverage with respect to the amount, duration and scope of services covered, as well as any exclusions or limitations) (Section 2110(a))
- 6.2.1.

☐

Inpatient services (Section 2110(a)(1))
- 6.2.2.

☒

Outpatient services (Section 2110(a)(2))
- 6.2.3.

☒

Physician services (Section 2110(a)(3))
- 6.2.4.

☒

Surgical services (Section 2110(a)(4))
- 6.2.5.

☐

Clinic services (including health center services) and other ambulatory health care services. (Section 2110(a)(5))
- 6.2.6.

☐

Prescription drugs (Section 2110(a)(6))
- 6.2.7.

☐

Over-the-counter medications (Section 2110(a)(7))
- 6.2.8.

☒

Laboratory and radiological services (Section 2110(a)(8))
- 6.2.9.

☒

Prenatal care and pre-pregnancy family services and supplies (Section 2110(a)(9))
- 6.2.10.

☒

Inpatient mental health services, other than services described in 6.2.18., but including services furnished in a state-operated mental hospital and including residential or other 24-hour therapeutically planned structural services (Section 2110(a)(10))
- 6.2.11.

☒

Outpatient mental health services, other than services described in 6.2.19, but including services furnished in a state-operated mental hospital and including community-based services (Section 2110(a)(11))
- 6.2.12.

☐

Durable medical equipment and other medically-related or remedial devices (such as prosthetic devices, implants, eyeglasses, hearing aids, dental devices, and adaptive devices) (section 2110(a)(12))
- 6.2.13.

☐

Disposable medical supplies (Section 2110(a)(13))
- 6.2.14.

☒

Home and community-based health care services (See instructions) (Section 2110(a)(14))
- 6.2.15.

☐

Nursing care services (See instructions) (Section 2110(a)(15))
- 6.2.16.

☒

Abortion only if necessary to save the life of the mother or if the pregnancy is the result of an act of rape or incest (Section 2110(a)(16))
- 6.2.17.

☐

Dental services (Section 2110(a)(17))
- 6.2.18.

☒

Inpatient substance abuse treatment services and residential substance abuse treatment services (Section 2110(a)(18))
- 6.2.19.

☐

Outpatient substance abuse treatment services (Section 2110(a)(19))

- 6.2.20. ☐ Case management services (Section 2110(a)(20))
- 6.2.21. ☐ Care coordination services (section 2110(a)(21))
- 6.2.22. ☐ Physical therapy, occupational therapy, and services for individuals with speech, hearing, and language disorders (section 2110(a)(22))
- 6.2.23. ☐ Hospice care (section 2110(a)(23))
- 6.2.24. ☐ Any other medical, diagnostic, screening, preventive, restorative, remedial, therapeutic, or rehabilitative services. (See instructions)(Section 2110(a)(24))
- 6.2.25. ☐ Premiums for private health care insurance coverage (section t i110(a)(25))
- 6.2.26. ☐ Medical transportation (Section 2110(a)(26))
- 6.2.27. ☐ Enabling services (such as transportation, translation, and outreach services (See instructions) (section 2110(a)(27))
- 6.2.28. ☐ Any other health care services or items specified by the Secretary and not included under this section (section 2110(a)(28))

6.3. Waivers - Additional Purchase Options. If the state wishes to provide services under the plan through cost effective alternatives or the purchase of family coverage, it must request the appropriate waiver. Review and approval of the waiver application(s) will be distinct from the state plan approval process. To be approved, the state must address the following: (Section 2105(c)(2) and (3))

6.3.1. ☐ **Cost Effective Alternatives.** Payment may be made to a state in excess of the 10% limitation on use of funds for payments for: 1) other child health assistance for targeted low-income children; 2) expenditures for health services initiatives under the plan for improving the health of children (including targeted low-income children and other low-income children); 3) expenditures for outreach activities as provided in section 2102(c)(1) under the plan; and 4) other reasonable costs incurred by the state to administer the plan, if it demonstrates the following:

- 6.3.1.1. Coverage provided to targeted low-income children through such expenditures must meet the coverage requirements above; **Describe the coverage provided by the alternative delivery system. The state may cross reference section 6.2.1 - 6.2.28. (Section 2105(c)(2)(B)(i))**
- 6.3.1.2. The cost of such coverage must not be greater, on an average per child basis, than the **cost** of coverage that would otherwise be provided for the coverage described above; and **Describe the cost of such coverage on an average per child basis. (Section 2105(c)(2)(B)(ii))**
- 6.3.1.3. The coverage **must** be provided through the use of a community-based health delivery system, such as through contracts with health centers receiving funds under section 330 of the Public Health Service Act or with hospitals such as those that receive disproportionate share payment adjustments under section 1886(d)(5)(F) or 1923 of the Social Security Act. **Describe the community based delivery system. (Section 2105(c)(2)(B)(iii))**

6.3.2. ☐ **Purchase of Family Coverage.** Describe the plan to provide family coverage. Payment ~~may~~ be made to a state for the purpose of family coverage under ~~a~~ group health plan or health insurance coverage ~~that~~ includes coverage of targeted low-income children, if it ~~demonstrates~~ the following: (Section ~~2105(c)(3)~~)

- 6.3.2.1. Purchase of family coverage is cost-effective relative to the amounts that the state would have paid to obtain comparable coverage only of ~~the~~ targeted low-income children involved; **and (Describe the associated costs for purchasing the family coverage relative to the coverage for the low income children.)** (Section ~~2105(c)(3)(A)~~)
- 6.3.2.2. The state assures that the family coverage would not otherwise substitute for health insurance coverage that would be provided to such children but for the purchase of family coverage. (Section ~~2105(c)(3)(B)~~)

Section 7. Quality and Appropriateness of Care

☒ **Check here if the state elects to use funds provided under Title XXI only to provide expanded eligibility under the state's Medicaid plan, and continue on to, Section 8.**

7.1. Describe the methods (including external and internal monitoring) used to assure the quality and appropriateness of care, particularly with respect to well-baby care, well-child care, and immunizations provided under the plan. ~~(2102(a)(7)(A))~~

Will the state utilize any of the following tools to assure quality? .
(Check all that apply and describe the activities for **any** categories utilized.)

- 7.1.1. ☐ Quality **standards**
- 7.1.2. ☐ Performance measurement
- 7.1.3. ☐ Information strategies
- 7.1.4. ☐ Quality improvement strategies

7.2. Describe the methods **used**, including monitoring, to **assure** access to covered **services, including** emergency services. ~~(2102(a)(7)(B))~~

Section 8. Cost Sharing and Payment (Section 2103(e))

☒ **Check here if the state elects to use funds provided under Title XXI only to provide expanded eligibility under the state's Medicaid plan, and continue on to Section 9.**

8.1. Is cost-sharing imposed on **any** of the children covered under the plan?

8.1.1. ☐ **YES**

8.1.2. ☐ **NO, skip to question 8.5.**

8.2. Describe the amount of cost-sharing and **any** sliding scale based on income ;
(Section 2103(e)(1)(A))

8.2.1. Premiums: _____

8.2.2. Deductibles: _____

8.2.3. Coinsurance: _____

8.2.4. Other: _____

8.3. Describe how the public will be notified of **this** cost-sharing and **any** differences based on income: _____

8.4. The state **assures** ~~that~~ it has made the following findings with respect to the cost sharing and payment **aspects** of its plan: (Section 2103(e))

8.4.1. ☐ Cost-sharing does not favor children **from** higher income families over **lower** income families. (Section 2103(e)(1)(B))

8.4.2. ☐ No cost-sharing applies to well-baby and well-child care, including age-appropriate immunizations. (Section 2103(e)(2))

8.4.3. ☐ No child in a family with income less than **150%** of the Federal Poverty Level will incur cost-sharing that is not **permitted** under 1916(b)(1).

8.4.4. ☐ No **Federal** funds will be used toward **state** matching requirements. (Section 2105(c)(4))

8.4.5. ☐ **No premiums** or cost-sharing will be used toward state matching requirements. (Section 2105(c)(5))

8.4.6. ☐ No **funds** under **this** title will be **used** for coverage if a private insurer would have been obligated to provide such assistance except for a provision limiting **this** obligation because the child is eligible under the **this** title. (Section 2105(c)(6)(A))

8.4.7. ☐ Income and resource **standards** and methodologies for determining Medicaid eligibility are not **more** restrictive than those applied **as of** June 1, 1997. (Section 2105(d)(1))

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- 8.4.8. ☐ No funds provided under ~~this~~ title or coverage funded by ~~this~~ title will include coverage of abortion except if necessary to save the life of the mother or if the pregnancy is the result of an act of ~~rape~~ or incest. (~~Section 2105)(c)(7)(B)~~)
- 8.4.9. ☐ No funds provided under ~~this~~ title will be used to pay for any abortion or to assist in the purchase, in whole or in part, for coverage that includes abortion (except ~~as~~ described above). (~~Section 2105)(c)(7)(A)~~)
- 8.5. Describe ~~how~~ the state will ensure that the ~~annual~~ aggregate cost-sharing for a family does not exceed ~~5~~ percent of such family's ~~annual~~ income for the year involved: (~~Section. 2103(e)(3)(B)~~) _____
- 8.6. The state ~~assures~~ that, with respect to pre-existing medical conditions, one of the following two statements applies to its plan:
- 8.6.1. ☐ The ~~state~~ shall not ~~permit~~ the imposition of any pre-existing medical condition exclusion for covered services (~~Section 2102(b)(1)(B)(ii)~~); **OR**
- 8.6.2. ☐ The ~~state~~ contracts with a group health plan or group health insurance coverage, or contracts with a group health plan to provide family coverage under a waiver (see ~~Section 6.3.2.~~of the template). ~~Pre-existing~~ medical conditions are ~~permitted~~ to the extent allowed by ~~HIPAA/ERISA~~ (~~Section 2109(a)(1),(2)~~). Please describe:

Section 9. Strategic Objectives and Performance Goals for the Plan Administration (Section 2107)

9.1. ~~Describe~~ strategic objectives for increasing the extent of creditable health coverage among targeted low-income children and other low-income children: (Section 2107(a)(2))

Please refer to matrix.

9.2. Specify one or more performance goals for each strategic objective identified: (Section 2107(a)(3))

Please refer to matrix.

9.3. Describe how performance under the plan **will** be measured through objective, independently ~~verifiable~~ means and compared against performance goals in order to determine the state’s performance, taking into account suggested performance indicators ~~as specified~~ below or other ~~indicators~~ the state develops: (Section 2107(a)(4)(A)(B))

Please refer to matrix.

Title XXI State Plan Proposal

STRATEGIC OBJECTIVE	PERFORMANCE GOALS	PERFORMANCE MEASURES
1. Improve and expand outreach strategies to families of children likely to be eligible for assistance, to inform them of the availability of and assist them with enrolling their children in the appropriate Medicaid program.	1.1. Increase informational and outreach activities about Medicaid programs, including Title XXI Medicaid expansion	<p>1.1.1. Train the Trainer Workshops will be conducted for public and private sector agencies/organizations and advocacy groups that address the needs or serve the targeted group of children.</p> <p>Baseline: 0 Target: At least 7 (1 per island -- Kauai, Oahu, Molokai, Lanai, Maui, Hawaii)</p> <p>Data Source: Public Information Officer Report</p> <p>1.1.2. The following new outreach strategies will be implemented:</p> <ul style="list-style-type: none">• A web site will be developed by 05/00.• An "800" informational hotline will be initiated by 04/00.• New brochures will be developed by 04/00.• Easy-to-understand Medicaid application instructions will be developed and will be printed, at a minimum, in 6 languages (English, Ilocano/Tagalog, Chinese, Samoan, Vietnamese, Korean) by 03/00.• A minimum of 12 community informational sessions be will conducted by 07/00.• A minimum of 20 new agencies will be contacted and a minimum of 15 of these agencies will commit to assist with Medicaid program outreach activities by 04/00. (Activities may include dissemination of Medicaid brochures, referral to Medicaid for eligibility determination and assisting the applicant with the process). <p>Data Source: Public Information Officer Report</p>

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Effective Date:

STRATEGIC OBJECTIVE	PERFORMANCE GOALS	PERFORMANCE MEASURES
2. Reduce the number and proportion of low-income children who are uninsured.	2.1. Low-income children will be enrolled into the appropriate Medicaid program (QUEST or Medicaid fee-for-service or Title XXI Medicaid expansion).	<p>2.2.1. There will be a decrease in the percentage of uninsured low-income children. (Children with family income level up to 200% FPL).</p> <p>Baseline: Approximately 76.17% of all uninsured (SFY 99) children under age 19 are in families with incomes up to 200% FPL. (76.17% of 12,817 = * 9,763)</p> <p>Target: Decrease the % age of uninsured (Year 1) low-income children under age 19 with family income up to 200% FPL from 76.17% to 38% (A decrease of approximately 4,882 children)</p> <p>* Rounded to nearest 100th.</p> <p>Data Source: Hawaii Health Survey, Dept. of Health</p> <p>2.1.2. There will be an increase in the number of Medicaid program eligibility applications received for children potentially eligible for QUEST or the Medicaid FFS program.</p> <p>Baseline: 150/month (Year 1) Target: 250/month (Year 2)</p> <p>Data Source: Dept of Human Services Eligibility Information System</p>

Title XXI State Plan Proposal

STRATEGIC OBJECTIVE	PERFORMANCE GOALS	PERFORMANCE MEASURES
		<p>2.1.3. There will be an increased percentage of currently uninsured Medicaid-eligible children under age 19 who will be enrolled into the appropriate Medicaid program.</p> <p>Baseline: 0% (SFY 99) (There are approximately 5,305 uninsured children under age 19 who are projected to be Medicaid eligible but not enrolled).</p> <p>Target: There will be a 50% increase in (Year 1) the number of Medicaid-eligible children under age 19 who become enrolled into the appropriate Medicaid program. (Enrollment of approximately 2,653 children)</p> <p>Data Source: Dept. of Human Services Eligibility Information System</p> <p>2.1.4. There will be an increase in the percentage of children under age 19 with family income greater than 100% but not exceeding 200% FPL who will receive health coverage by enrolling in the Title XXI Medicaid expansion program.</p> <p>Baseline: 0 (SFY 99) Target: 50% will be enrolled (Year 1) (50% of 4,458 = 2,229)</p> <p>Data Source: Hawaii Health Survey, Dept. of Health, and the Department of Human Services Information System</p>

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Effective Date:
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STRATEGIC OBJECTIVE	PERFORMANCE GOALS	PERFORMANCE MEASUREMENT												
3. Improve Access to Health Care for Targeted Low-Income Children.	3.1. Families of targeted low-income children will express satisfaction with accessibility to health care services.	<p>3.1.1. Families of targeted low-income children will express similar levels of satisfaction with the accessibility of health care services as QUEST age-comparable group in the following areas:</p> <p>a. Access to medical checkups and minor problems. Baseline: 88% of members sampled (SFY 97) Target: 88% of Title XXI children (Year 2)</p> <p>b. Access to emergency services. Baseline: 80% of members sampled (SFY 97) Target: 80% of Title XXI children (Year 2)</p> <p>c. Access to specialist care. Baseline: 75% of members sampled (SFY 97) Target: 75% of Title XXI children (Year 2)</p> <p>Data Source: QUEST Member Satisfaction Survey; Complaints and Grievance Logs.</p> <p>3.2.1. The rate of utilization of primary care providers by targeted low-income children will be the same as the comparable age group in QUEST.</p> <table><tr><td>Baseline: 12 – 24 mths =</td><td>89.62%</td><td>(SFY 98)</td></tr><tr><td>25 mths – 6 yrs =</td><td>79.61%</td><td></td></tr><tr><td>Target: 12 – 24 mths =</td><td>89.62%</td><td>(Year 2)</td></tr><tr><td>25 mths – 6 yrs =</td><td>79.61%</td><td></td></tr></table> <p>Data Source: HEDIS 3.0/1998 reports - QUEST Health Plans</p>	Baseline: 12 – 24 mths =	89.62%	(SFY 98)	25 mths – 6 yrs =	79.61%		Target: 12 – 24 mths =	89.62%	(Year 2)	25 mths – 6 yrs =	79.61%	
Baseline: 12 – 24 mths =	89.62%	(SFY 98)												
25 mths – 6 yrs =	79.61%													
Target: 12 – 24 mths =	89.62%	(Year 2)												
25 mths – 6 yrs =	79.61%													
	3.2. Targeted low-income children will have an accessible medical home health care services.													

Title XXI State Plan Proposal

STRATEGIC OBJECTIVE	PERFORMANCE GOALS	PERFORMANCE MEASURES
4. Improve continuity and quality of care for targeted low-income children.	4.1. Children in the targeted low-income group will receive all recommended immunizations by age 2 and age 5.	4.1.1. Childhood immunization rates for children enrolled in the Title XXI Medicaid expansion will be the same as the comparable age group enrolled in QUEST. Baseline: 75.17% (SFY 98) Target: 75.17% (Year 2) Data Source: HEDIS 3.0/1998 Data reported by QUEST Health Plans.
	4.2. Children in the targeted low-income group will receive the expected number of screening services based on the EPSDT periodicity screening guidelines.	4.2.1. The EPSDT screening ratio for children enrolled in the Title XXI Medicaid expansion will be the same as the age-comparable group enrolled in QUEST. Baseline: .78 (SFY 98) Target: .78 (Year 2) Data Source: Form HCFA-416: Annual EPSDT Participation Report, SFY 98
	4.3. Children in the targeted low-income group will be provided the recommended number of well-child visits.	4.3.1. Children in the Title XXI target group will have the same ratio of well-child visits in a) the first 15 months of life; and b) 4 th , 5 th , and 6 th years of life, as age-comparable children enrolled in QUEST. Baseline: First 15 months = 55% with 6 or more visits; 4, 5, and 6 year olds = 57.02% with at least one visit. Target: First 15 months = 55% with 6 or more visits; (Yr 2) 4, 5, and 6 year olds = 57.02% with at least one visit. Data Source: HEDIS 3.0/1998 Data - QUEST Health Plans

Title XXI State Plan Proposal

STRATEGIC OBJECTIVE	PERFORMANCE GOALS	PERFORMANCE MEASURES
	4.4. Children in the targeted low-income group will have, at a minimum, annual dental visits	4.4.1 The percentage of children in the Title XXI target group having annual dental visits will be the same as age-comparable children enrolled in QUEST. Baseline: HEDIS 3.0/1998 dental plan data unavailable at printing. Target: Same % age as baseline for QUEST-eligible children Data Source: HEDIS 3.0/1998 Data – QUEST Health Plans

Title XXI State Plan Proposal

STRATEGIC OBJECTIVE	PERFORMANCE GOALS	PERFORMANCE MEASURES
5. Crowd-out strategies will be effective in addressing substitution of Title XXI Medicaid expansion coverage for other health coverage.	5.1. The "firewall" strategy (six-month rule) requiring that children be uninsured for 6 months prior to their Title XXI application will be effective in preventing substitution.	<p>5.1.1. To prepare for evaluation of the effectiveness of the 6-month firewall rule in preventing the substitution of Title XXI Medicaid expansion coverage for other creditable health coverage, the State will collect data on:</p> <p>5.1.1.1. The number of denials of Title XXI Medicaid expansion eligibility due to non-compliance with the 6-month rule, and</p> <p>5.1.1.2. The reasons for these denials.</p> <p>Data Source: Information obtained on Medicaid/Title XXI application.</p> <p>5.1.2. The State will evaluate Year 1 findings, and:</p> <p>5.1.2.1. If the data collected on denials reaches a threshold of 10% of all Title XXI Medicaid expansion applications, the State will initiate policy changes to the 6-month crowd-out control strategy, including consideration for establish a 9-month firewall rule.</p> <p>5.1.2.2. If the data collected in 5.1.1.2 above indicates that there are situations potentially warranting exceptional consideration to the 6-month rule, the State will consider establishing an administrative review process as well as the criteria to be used to make determinations.</p> <p>Data Source: Information obtained on Medicaid/Title XXI application for eligibility determination.</p>

9.3. (Continued)

Check ~~the~~ applicable suggested performance measurements listed below ~~that~~ the state plans to use: (Section 2107(a)(4))

- 9.3.1. ☒ The increase in the percentage of Medicaid-eligible children enrolled in Medicaid.
- 9.3.2. ☒ The reduction in the percentage of uninsured children.
- 9.3.3. ☐ The increase in the percentage of children with a usual source of care.
- 9.3.4. ☐ The extent to which outcome measures ~~show~~ progress on one or more of the health problems identified by the state.
- 9.3.5. ☐ HEDIS Measurement Set relevant to children and adolescents younger than 19.
- 9.3.6. ☐ Other child appropriate measurement set. List or describe the set used.
- 9.3.7. ☐ If not utilizing the entire HEDIS Measurement Set, specify which measures will be collected, such as:

9.3.7.1. ☒ Immunizations

9.3.7.2. ☒ Well child care

9.3.7.3. ☐ Adolescent well visits

9.3.7.4. ☐ Satisfaction with care

9.3.7.5. ☒ Mental health

9.3.7.6. ☐ Dental care

9.3.7.7. ☒ Other, please list:

☒ Utilization of ~~Primary~~ Care Providers

☒ Appointment Wait Times

☒ EPSDT Periodicity Screens

9.3.8. ☐ Performance measures for special targeted populations.

- 9.4. ☒ The state ~~assures~~ it ~~will~~ collect all data, maintain records and ~~furnish~~ reports to the Secretary at the times and in the standardized format that the Secretary requires. (Section 2107(b)(1))
- 9.5. ☒ The state assures it ~~will~~ comply with the annual assessment and evaluation required under Section 10.1. and 10.2. (See Section 10) Briefly describe the state's plan for these annual assessments and reports. (Section 2107(b)(2))

The State's Annual Reports on the progress made in reducing the number of uncovered low-income children will be primarily based on the findings and analysis of the annual Hawaii Health Survey conducted in the last three years by the State's Department of Health. **This annual** survey, being refined with use, has focused on gathering data about the health coverage **status** of Hawaii's children by income, age, and employment **status** of the child's family. The State intends to continue using **this** data to: 1) calculate the baseline number of uncovered low-income children; and 2) ~~analyze~~ the extent of progress made, in the context of the factors **affecting** the provision of accessible, affordable, quality health insurance and health care for children in Hawaii.

The State's Evaluation of the effectiveness of the state plan will address the **elements** outlined in Section 10.2. The information and other sources to be used in the analysis of the plan's effectiveness in meeting performance measures will include:

- 1. The following information systems:*
 - the **HAWI** system that tracks Medicaid ABD and QUEST program eligibility, enrollment, disenrollment activity and demographics;
 - the Medicaid Management Information System (MMIS) for service utilization and expenditure **data as well as** demographic information of Medicaid's fee-for-service program; and
 - the QUEST Interim Encounter Data System for encounter data, including sub-systems for member eligibility and the QUEST provider registry.
- * The Med-QUEST Division is in the process of reassessing its Information Technology strategy and **functional needs**. To facilitate **this** process, the Division released a Request for Information (**RFI**) in December 1997. 19 **RFI's** were received. The **results of this RFI** process **are** being used to assist the Division with development of a procurement strategy for the Hawaii Medicaid Management Information System (**HIMMIS**) that is anticipated to have the capacity to provide:
- Fiscal Agent services;
 - **Certified/Certifiable MMIS ;**
 - Health Plan Enrollment/Disenrollment information;
 - Encounter Data Processing;
 - Data Warehouse capacity;
 - Predefined Reports;
 - Decision Support/Executive Information System;

- Capitation Payment activities; and
- Premium Share Billing and Collection

* **An** option that is also currently being explored is the possibility of **using** some components of Arizona’s Information System. Discussions have been initiated about areas such **as** eligibility, enrollment, encounter data and provider files, and a feasibility study is now being conducted to assess the potential compatibility of Arizona’s system in meeting Hawaii’s informational system needs.

2. Quality improvement/quality control mechanisms currently in place to monitor and assure quality and appropriateness of health, dental, and behavioral health services will also be used. As **an** expansion of Medicaid, the provision of services to the Title XXI targeted groups will be fully integrated in all current mechanisms including, but not limited to:

- The requirement for QUEST plans to develop and operationalize an internal Quality Assurance Program (QAP) meeting stipulated **standards;**
- Compliance with QAP reporting requirements, including quality of care studies, QAP evaluation **reviews,** and reports on complaints and grievances **from** members and providers, with additional information about the number of adverse actions/decisions made, the number of appeals and the outcomes of the appeals;
- Submittal of **HEDIS** reports addressing the health plans’ performance in the areas of membership, utilization, quality of care, and access to care;
- Submittal of encounter **data;**
- External monitoring by an External Quality Review Organization (**EQRO**) responsible for conducting an independent medical review or audit of the **quality** of services provided by the health plans;
- Case study interviews; and
- Surveys of members and providers conducted by the Med-QUEST Division **to:** 1) determine overall satisfaction with QUEST, QUEST-Net and the health plan; 2) the quality of care received; and 3) the overall health **status** of members.

3. The Policy and Program Development Office of the Med-QUEST Division will be responsible for monitoring progress and preparing the annual assessment and the evaluations, and will also ensure that input is received from the State Title XXI Planning **Committee.**

- 9.6. ☒ The state assures it will provide the Secretary with access to any records, or information relating to the plan for purposes of review of audit. (Section 2107(b)(3))
- 9.7. ☒ The state assures that, in developing performance measures, it will modify those measures to meet national requirements when such requirements are developed.
- 9.8. The state assures, to the extent they apply, that the following provisions of the Social Security Act will apply under Title XXI; to the same extent they apply to a state under Title XIX: (Section 2107(e))
- 9.8.1. ☒ Section 1902(a)(4)(C) (relating to conflict of interest standards)
- 9.8.2. ☐ Paragraphs (2), (16) and (17) of Section 1903(i) (relating to limitations on payment)
- 9.8.3. ☒ Section 1903(w) (relating to limitations on provider donations and taxes)
- 9.8.4. ☒ Section 1115 (relating to waiver authority)
- 9.8.5. ☒ Section 1116 (relating to administrative and judicial review), but only insofar as consistent with Title XXI
- 9.8.6. ☒ Section 1124 (relating to disclosure of ownership and related information)
- 9.8.7. ☐ Section 1126 (relating to disclosure of information about certain convicted individuals)
- 9.8.8. ☒ Section 1128A (relating to civil monetary penalties),
- 9.8.9. ☒ Section 1128B(d) (relating to criminal penalties for certain additional charges)
- 9.8.10. ☒ Section 1132 (relating to periods within which claims must be filed)
- 9.9. Describe the process used by the state to accomplish involvement of the public in the design and implementation of the plan and the method for insuring ongoing public involvement. (Section 2107(c))

In fall 1997, the State initiated efforts for public involvement through an informational meeting at which the Director of the Department of Human Services and the Administrator of the Med-QUEST Division presented information about Title XXI and highlighted its potential opportunities. The invitation they extended to all interested parties to participate in the Title XXI planning process was enthusiastically received by consumer/advocacy

organizations, legislators, public sector and community-based service providers, and professional health organizations.

While there was an initial concern that Hawaii might be precluded from participating because of the maintenance of effort provision, the Department of ~~Human~~ Services in conjunction with the Department of Health decided to proceed with the Title XXI planning process to ensure that the State would meet the June 20, 1998 deadline for submittal of the State's plan. The State subsequently received HCFA's provisional approval to access Hawaii's Title XXI allotment.

Between January and April 1998, four (4) State Title XXI Planning Committee meetings were held to review, discuss, revise, and accept or reject proposals generated by the Eligibility, Benefits, and Outreach sub-committees established by the statewide Planning Committee. All final recommendations from the Committee were carefully considered by the Med-QUEST Division in development of this proposed state plan. During the implementation phase of the Title XXI Medicaid expansion, the State will continue to request the Committee's input;

The State Title XXI Planning Committee reflects broad-based statewide participation, and includes representation from the following :

- ☐ Consumer/advocacy groups
 - Consumers
 - ~~AIDS~~ Community Care Team
 - ~~Developmental Disabilities~~ Council
 - o ~~Easter~~ Seals Society of Hawaii
 - o Hawaii Advocates for Children and Youth
 - Legal Aid Society of Hawaii
 - State Children's Council
- ☐ Community-Based/Private Sector Organizations
 - Catholic Charities Family Services
 - Family Support Services
 - Head Start
 - Kapiolani Teen Intervention Program
 - o Kokua Kalihi Valley Social Services
 - Palama Settlement
 - o Papa Ola Lokahi
 - o Parents and Children Together (PACT)
 - o Queen Liliuokalani Children's Center

- ☐ **Health Care** Provider Organizations
 - American Academy of Pediatrics, Hawaii Chapter
 - Hawaii Dental Association
 - Hawaii Medical Association
 - Hawaii Nurses Association
 - Hawaii ~~Primary~~ Care Association
 - ~~Healthcare~~ Association of Hawaii
- ☐ Executive Office - Senior Policy Advisor to the Governor For Children and Families
- ☐ Legislative Representatives
 - House Committee on Health
 - House Committee on Human Services and Housing
 - Senate Committee on Health and Environment
 - ;Senate Committee on Human Resources
- ☐ **QUEST** Health Plans-
 - Aloha ~~Care~~
 - DentiCare, Inc.
 - HMSA, including HMSA's Community Relations Office
 - ~~Kaiser~~ Permanente
 - Kapiolani ~~Health~~Hawaii
 - Queen's Health Plan
 - StraubCare Quantum.
- ☐ Public Sector Agencies
 - Department of Education - Kahuku High School
 - Department of Health
 - ◆ ~~Administrative~~ Representation by the Deputy Director of DOH
 - ◆ Child and Adolescent Mental Health Division
 - ◆ Dental Health Division
 - ◆ Family Health Services Division (~~State's~~Title V ~~Agency~~)
 - ⇒ Administrative and Program Development ~~Staff~~
 - ⇒ Children with Special Needs Branch
 - ⇒ Family Planning Services Section
 - ⇒ Healthy ~~Start~~
 - ⇒ Zero-To-Three Project

- ⇒ Immunization Program
- Department of Human Services
 - ◆ Med-QUEST Division
 - ⇒ Health Coverage and Management Branch
 - ⇒ Policy and Program Development
 - Social Service Division
 - ⇒ Administrative Staff
 - ⇒ Child Welfare Services

9.10. Provide a budget for **this** program. Include details on **the** planned use of funds and sources of the **non-Federal** share of plan expenditures. **(Section 2107(d))**

HAWAII’S PROPOSED BUDGET FOR TITLE XXI

The following Tables present the State’s proposed budgets for the Title XXI Medicaid expansion. These budget proposals for Year 1 and Year 2 reflect the State’s plan to enroll one-half of the projected number of Title XXI-eligible children under age 19 in year 1 **(2,229)**, and in year 2, the additional one-half, for a **total of (4,458)**. Year 2’s proposed budget will be used for subsequent years.

TITLE XXI ELIGIBLE	AGES	INCOME	PROJECTED NUMBER	AVE. COST/ MONTH	ANNUAL COST/CHILD	TOTAL (State + Federal)
Non-SSI Eligible (QUEST)	< 1	186% - 200%	0	\$ 508 ¹	\$ 0	\$0
SSI Eligible (Medicaid FFS)	< 1	186% - 200%	0	\$2,233 ²	\$ 0	\$0
TOTAL			0			\$ 0

TITLE XXI ELIGIBLE	AGES	INCOME	PROJECTED NUMBER	AVE. COST/ MONTH	ANNUAL COST/CHILD	TOTAL (State + Federal)
Non-SSI Eligible (QUEST)	1 - 6	134% - 200%	222 ³	\$ 91 ⁴	\$ 1,092	\$242,424 ⁵
SSI Eligible (Medicaid FFS)	1 - 6	134% - 200%	7 ⁶	\$ 2, 020 ⁷	\$24,240	\$169,680 ⁸
TOTAL			229 ⁹			\$412,104

¹ Based on QUEST PMPM cost **(\$152)** with ~~risk~~ adjustment factor of **3.34** for children < 1.

² Based on **FY97** Medicaid Management Information System (**MMIS**) ~~data~~ for **FFS Program** -- monthly cost of child with disabilities in < 1 age group.

³ Projections ~~were~~ calculated by ~~subtracting the projected number~~ of children with disabilities from the potential Title XXI eligible children. (**Assume** 3% of population ~~are~~ persons with disabilities. 3% of 229 = 7 children.) [229 – 7 = 222]. Note: **50% of 458 = 229**.

⁴ Based on applying a ~~risk~~ adjustment factor of **0.6** for children ages 1 < 6 in QUEST to the current QUEST PMPM. [0.6 x \$152 = \$91 PMPM]
Annual cost per child x projected number of children to be enrolled. [**\$1,092 x 222 = \$242,424**]
Projected number of children with disabilities who will be enrolled in Title XXI Medicaid expansion is calculated based on the assumption that 3% of the population ~~are~~ persons with disabilities; and ~~enrolling~~ **50%** of total in Year 1. [3% of 229 = 7]

⁷ Based on **FY97 MMIS data** for **FFS Program** = average monthly cost of child with disabilities ages 1 - 6 is **\$2,020**.

⁸ Annual ~~cost~~ per child with disabilities x projected number of children with disabilities to be enrolled. [**\$24,240 x 7 = \$169,680**]

⁹ Total number of Title XXI-eligible children ages 1 – 6 projected to be enrolled in CHIP in Year 1.

Ages 7 - 14 Years Old With Family Incomes Between
101% and 200% FPL

TITLE XXI ELIGIBLE	AGES	PROJECTED NUMBER	AVE. COST PER MONTH	ANNUAL COST/CHILD	TOTAL (State + Federal)
Children w/o Disabilities	7 - 14	966 ¹	\$76 ²	\$ 912	\$880,992 ³
Children w/ Disabilities	7 - 14	30	\$435 ⁵	\$5,220	\$156,600 ⁶
TOTAL		996 ¹			\$1,037,592

Ages 15 - 18 With Family Incomes Between
62.6% - 200% FPL

TITLE XXI ELIGIBLE	AGES	PROJECTED NUMBER	AVE. COST PER MONTH	ANNUAL COST/CHILD	TOTAL (State + Federal)
Children w/o Disabilities	15 - 18	974 ⁸	\$79 ⁹	\$948	\$923,352 ¹⁰
Children with Disabilities	15 - 18	30 ¹¹	\$393 ¹²	\$4,716	\$141,480 ¹³
TOTAL		1,004 ¹⁴			\$1,064,832

¹ Subtracted the projected number of children with disabilities (based on the assumption that 3% of the population have developed disabilities) from 9% (50% of 1,992); (3% of 9% = 30). 9% - 30 = 966.

² Based on QUEST PMPM cost (\$152) with risk adjustment factor of 0.5 for children 7 - 14.

³ Annual cost per child x projected number of children to be enrolled. (\$912 x 966 = \$880,992)

⁴ This number was derived based on the assumption that 3% of the population are persons with developmental disabilities. According to the 1998 Hawaii Health Survey, 996 (50% of 1992) children in the age group 7 - 14 had incomes between 101% - 200% FPL (3% of 996 = 30).

⁵ Based on FY97 MMIS data for FFS Program -- monthly cost of child with disabilities in 7 - 14 age group.

⁶ Annual cost per child with disabilities x projected number of children with disabilities to be enrolled. [\$5,220 x 30 = \$156,600]

⁷ Total number of Title XXI-eligible children ages 7 - 14 projected to be enrolled in Year 1.

⁸ Projected number of children without disabilities calculated by subtracting assumed 3% of population from total number (50% of 2,008 = 1,004) x 3% = 30; 1,004 - 30 = 974.

⁹ Based on QUEST PMPM cost (\$152) with risk adjustment factor of .52 for this age group.

¹⁰ Annual cost per child x projected number of children to be enrolled. [\$912 x 974 = \$923,352]

¹¹ Based on the assumption that 3% of the population are persons with developmental disabilities. (3% of 1,004 = 30).

¹² Based on FY97 MMIS data for FFS Program -- average monthly cost of child with disabilities in 15 - 18 age group.

¹³ Annual cost per child with disabilities x projected number of children with disabilities to be enrolled. [\$4,716 x 30 = \$141,480]

¹⁴ Total number of Title XXI-eligible children ages 15 - 18 projected to be enrolled in Year 1.

YEAR 1

PROJECTED YEAR 1 SERVICE BUDGET FOR CHILDREN UNDER AGE 19 WITH FAMILY INCOME UNDER 200% FPL

AGES	INCOME LEVEL	PROJECTED NUMBER	TOTAL (State + Federal)	STATE (34.29%)	FEDERAL (65.71%)
< 1	186% - 200%	0	0	0	0
1 - 6	134% - 200%	229	\$412,104	\$141,310 ¹	\$270,794 ²
7 - 14	101% - 200%	996	\$1,037,592	\$355,790	\$681,802
15-18	62.6%-200%	1,004	\$1,064,832	\$365,131	\$699,701
	TOTAL	2,229	\$2,514,528	\$862,232	\$1,652,296

PROJECTED YEAR 1 ADMINISTRATIVE BUDGET

PROJECTED ADMINISTRATIVE EXPENDITURES	STATE SHARE	FEDERAL SHARE
\$279,392 ³	\$95,804	183,588

TOTAL YEAR 1 SERVICE AND ADMINISTRATIVE BUDGETS

PROJECTED SERVICE BUDGET	PROJECTED ADMINISTRATIVE BUDGET	TOTAL EXPENDITURES YEAR 1	STATE SHARE	FEDERAL SHARE
\$ 2,514,528	\$279,392	\$2,793,920 ⁴	\$958,035	\$1,835,885

¹ State share @ 34.29% of total service cost. SOURCE OF FUNDS: State Legislative Appropriations for Medicaid Programs. No provider taxes and/or donations will be used to fund CHIP.

² Federal share @ 65.71% of total service cost

³ Administrative budget projection is calculated to be 10% of total projected Year 1 expenditures (10% of 2,793,920).

⁴ Total expenditures is a derivative of one-ninth of projected service cost (1/9 of \$2,514,528 = \$279,392) plus projected service cost (\$2,514,528).

YEAR 2

Ages < 1 Year Old With Family Incomes Between
186% and 200% FPL

TITLE XXI ELIGIBLE	AGES	INCOME	PROJECTED NUMBER	AVE. COST/MONTH	ANNUAL COST/CHILD	TOTAL (State + Federal)
Non-SSI Eligible (QUEST)	< 1	186% - 200%	0	\$ 508 ¹	\$ 0	\$0
SSI Eligible (Medicaid FFS)	< 1	186% - 200%	0	\$2,233 ²	\$ 0	\$0
TOTAL			0			\$ 0

Ages 1 - 6 Years Old With Family Incomes Between
134% and 200% FPL

TITLE XXI ELIGIBLE	AGES	INCOME	PROJECTED NUMBER	AVE. COST/MONTH	ANNUAL COST/CHILD	TOTAL (State + Federal)
Non-SSI Eligible (QUEST)	1 - 6	134% - 200%	444 ³	\$ 91 ⁴	\$ 1,092	\$ 484,848 ⁵
SSI Eligible (Medicaid FFS)	1 - 6	134% - 200%	14 ⁶	\$ 2, 020 ⁷	\$24,240	\$ 339,360 ⁸
TOTAL			458 ⁹			\$ 824,208

¹ Based on QUEST PMPM cost (\$152) with risk adjustment factor of 3.34 for children < 1.

² Based on FY97 Medicaid Management Information System (MMIS) data for FFS Program = monthly cost of child with disabilities in < 1 age group.

³ This projection is based on the assumption that a) at the beginning of Year 2, the remaining 50% of the total number of children will be enrolled joining Year 1 enrollees; and b) projections were calculated by subtracting the projected number of children with disabilities from the potential Title XXI eligible children. (Assume 3% of population are persons with disabilities. 3% of 458 = 14 children.) [458 - 14 = 444]

⁴ Based on applying a risk adjustment factor of 0.6 for children ages 1 < 6 in QUEST to the current QUEST PMPM. [0.6 x \$152 PMPM = \$91 PMPM]

⁵ Annual cost per child x projected number of children to be enrolled. [\$1,092 x 444 = \$484,848]

⁶ Projected number of children with disabilities who will be enrolled in Title XXI Medicaid expansion in Year 2 is based on the assumption that at the beginning of Year 2, the remaining 50% of the total number of children with disabilities (50% of 14 = 7) will be enrolled in the program, joining the Year 1 enrollees with disabilities (7), resulting in a total of 14 children.

⁷ Based on FY97 MMIS data for FFS Program = average monthly cost per month for children with disabilities ages 1 - 6 is \$2,020.

⁸ Annual cost per child with disabilities x projected number of children with disabilities to be enrolled. [\$24,240 x 14 = \$339,360]

⁹ Total number of Title XXI eligible children ages 1 - 6 projected to be enrolled in CHIP in Year 2.

Ages 7 - 14 Years Old With Family Incomes Between
101% and 200% FPL

TITLE XXI ELIGIBLE	AGES	PROJECTED NUMBER	AVE. COST PER MONTH	ANNUAL COST/CHIL'D	TOTAL (State + Federal)
Children w/o Disabilities	7 - 14	1,932 ¹	\$76 ²	\$ 912	\$1,761,984 ¹
Children w/ Disabilities	7 - 14	60 ³	\$433 ³	\$5,220	\$313,200 ⁶
TOTAL		1,992 ⁷			\$2,075,184

Ages 15 - 18 With Family Incomes Between
62.6% - 200% FPL

TITLE XXI ELIGIBLE	AGES	PROJECTED NUMBER	AVE. COST PER MONTH	ANNUAL COST/CHILD	TOTAL (State + Federal)
Children w/o Disabilities	15 - 18	1,948 ⁸	\$79 ⁹	\$948	\$1,846,704 ¹⁰
Children with Disabilities	15 - 18	60 ¹¹	\$393 ¹²	\$4,716	\$282,960 ¹³
TOTAL		2,008 ¹⁴			\$2,129,664

¹ Subtracted the projected number of children with disabilities (based on the assumption that 3% of the population have developmental disabilities) from 1,992 total [3% of 1,992 = 60]. 1,992 - 60 = 1,932.

² Based on QUEST PMPM cost (\$152) with risk adjustment factor of 0.5 for children 7 - 14.

³ Annual cost per child x projected number of children to be enrolled. [\$912 x 1,932 = \$1,761,984]

⁴ This number was derived based on the assumption that 3% of the population are persons with developmental disabilities. According to the 1998 Hawaii Health Survey, 1,992 children in the age group 7 - 14 had incomes between 101% - 200% FPL (3% of 1,992 = 60).

⁵ Based on FY97 MMIS data for FFS Program - average monthly cost of child with disabilities in 7 - 14 age group.

⁶ Annual cost per child with disabilities x projected number of children with disabilities to be enrolled. [\$5,220 x 60 = \$313,200]

⁷ Total number of Title XXI-eligible children ages 7 - 14 projected to be enrolled in Year 2.

⁸ Projected number of children without disabilities calculated by subtracting assumed 3% of population from total number. (2,008 x 3% = 60) [2,008 - 60 = 1,948]

⁹ Based on QUEST PMPM cost (\$152) with risk adjustment factor of .52 for this age group.

¹⁰ Annual cost per child x projected number of children to be enrolled. [\$948 x 1,948 = \$1,846,704]

¹¹ Based on the assumption that 3% of the population are persons with developmental disabilities. (3% of 1,090 = 33; and 3% of 918 = 28).

¹² Based on FY97 MMIS data for FFS Program - average monthly cost of child with disabilities in 15 - 18 age group.

¹³ Annual cost per child with disabilities x projected number of children with disabilities to be enrolled. [\$4,716 x 60 = \$282,960]

¹⁴ Total number of Title XXI-eligible children ages 15 - 18 projected to be enrolled in Year 2.

**PROJECTED YEAR 2 SERVICE BUDGET FOR CHILDREN UNDER AGE 19 WITH FAMILY
INCOME UNDER 200% OF THE FEDERAL POVERTY**

AGES	INCOME LEVEL	PROJECTED NUMBER	TOTAL (State + Federal)	STATE (34.29%)	FEDERAL (65.71%)
< 1	186% - 200%	0	0	0	0
1 - 6	134% - 200%	458	\$ 824,208	\$282,621 ¹	\$541,587 ²
7 - 14	101% - 200%	1,992	\$2,075,184	\$711,581	\$1,363,603
15 - 18	62.6% - 200%	2,008	\$2,133,432	\$731,554	\$1,401,878
	TOTAL	4,458	\$5,032,824	\$1,725,755	\$3,307,069

PROJECTED YEAR 2 ADMINISTRATIVE BUDGET

PROJECTED ADMINISTRATIVE EXPENDITURES	STATE SHARE	FEDERAL SHARE
\$559,203 ³	\$191,751	\$361,452

TOTAL YEAR 2 SERVICE AND ADMINISTRATIVE BUDGETS

PROJECTED SERVICE BUDGET	PROJECTED ADMINISTRATIVE BUDGET	TOTAL EXPENDITURES YEAR 2	STATE SHARE	FEDERAL SHARE
\$5,032,824	\$559,203	\$5,592,027 ⁴	\$1,917,506	\$3,674,521

¹ State share @ 34.29% of total service cost. SOURCE OF FUNDS: State Legislative Appropriations for Medicaid Programs. No provider taxes and/or donations will be used to fund CHIP.

² Federal share @ 65.71% of total service cost.

³ Administrative budget projection is calculated to be 10% of total projected Year 2 expenditures (10% of 5,592,027).

⁴ Total expenditures is derivative of one-ninth of project service cost (1/9 of \$5,032,824 = \$559,203) plus projected services cost (\$5,032,824).

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Supersedes _____ Approval Date: ____ - ____ - ____ Effective Date: _____
TN No.: Template Version 9/ 12/97

GRAND TOTAL -- SERVICE AND ADMINISTRATIVE BUDGETS
YEAR 1 & YEAR 2

YEAR	PROJECTED SERVICE BUDGET	PROJECTED ADMINISTRATIVE BUDGET	TOTAL COST PER YEAR	STATE SHARE	FEDERA L SHARE
YR 1	\$2,514,528	\$279,392	\$2,793,920	\$958,035	\$1,835,885
YR 2	\$5,032,824	\$559,203	\$5,592,027	\$1,917,506	\$3,674,521
GRAND TOTAL YRS 1 & 2	\$7,547,352	\$838,595	\$8,385,947	\$2,875,541	\$5,510,406

Section 10.- Annual Reports and Evaluations (Section 2108)

- 10.1. Annual Reports. The state assures that it will assess the operation of the state plan under this Title in each fiscal year, including: (Section 2108(a)(1),(2))
- 10.1.1. ☒ The progress made in redwing the number of uncovered low-income children and report to the Secretary by January 1 following the end of the fiscal year on the result of the assessment, and
- 10.1.2. ☒ Report to the Secretary, January 1 following the end of the fiscal year, on the result of the assessment.

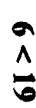
Below is a chart listing the types of information that the state’s annual report might include. Submission of such information will allow comparisons to be made between states and on a nationwide basis.

Attributes of Population	Number of Children with Creditable Coverage	Number of Children without Creditable Coverage	TOTAL
	XIX OTHER CHIP		
Income Level:			
< 100%			
≤ 133%			
< 185%			
< 200%			
> 200%			
Age			
0 – 1			
1 – 5			
6 – 12			
13 – 18			
Race and Ethnicity			
American Indian or Alaskan Native			
Asian or Pacific Islander			
Black, not of Hispanic origin			
Hispanic			
White, not of Hispanic origin			
Location			
MSA			
Non-MSA			

- 10.2 State Evaluations. The state assures that by March 31,2000 it will submit to the Secretary an evaluation of each of the items described and listed below:
(Section 2108(b)(A)-(H))
- 10.2.1. ☒ An assessment of the effectiveness of the state plan in increasing the number of children with creditable health coverage.
- 10.2.2. ☒ A description and analysis of the effectiveness of elements of the state plan, including:
- 10.2.2.1. ☒ The characteristics of the children and families assisted under the state plan including age of the children, family income, and the assisted child's access to or coverage by other health insurance prior to the state plan and after eligibility for the state plan ends;
- 10.2.2.2. ☐ The quality of health coverage provided including the types of benefits provided;
- 10.2.2.3. ☒ The amount and level (including payment of part or all of any premium) of assistance provided by the state;
- 10.2.2.4. ☐ The service area of the state plan;
- 10.2.2.5. ☒ The time limits for coverage of a child under the state plan;
- 10.2.2.6. ☒ The state's choice of health benefits coverage and other methods used for providing child health assistance, and
- 10.2.2.7. ☐ The sources of non-Federal funding used in the state plan.
- 10.2.3. ☒ An assessment of the effectiveness of other public and private programs in the state in increasing the availability of affordable quality individual and family health insurance for children.
- 10.2.4. ☒ A review and assessment of state activities to coordinate the plan under this Title with other public and private programs providing health care and health care financing, including Medicaid and maternal and child health services.
- 10.2.5. ☒ An analysis of changes and trends in the state that affect the provision of accessible, affordable, quality health insurance and health care to children.
- 10.2.6. ☒ A description of any plans the state has for improving the availability of health insurance and health care for children.
- 10.2.7. ☒ Recommendations for improving the program under this Title.

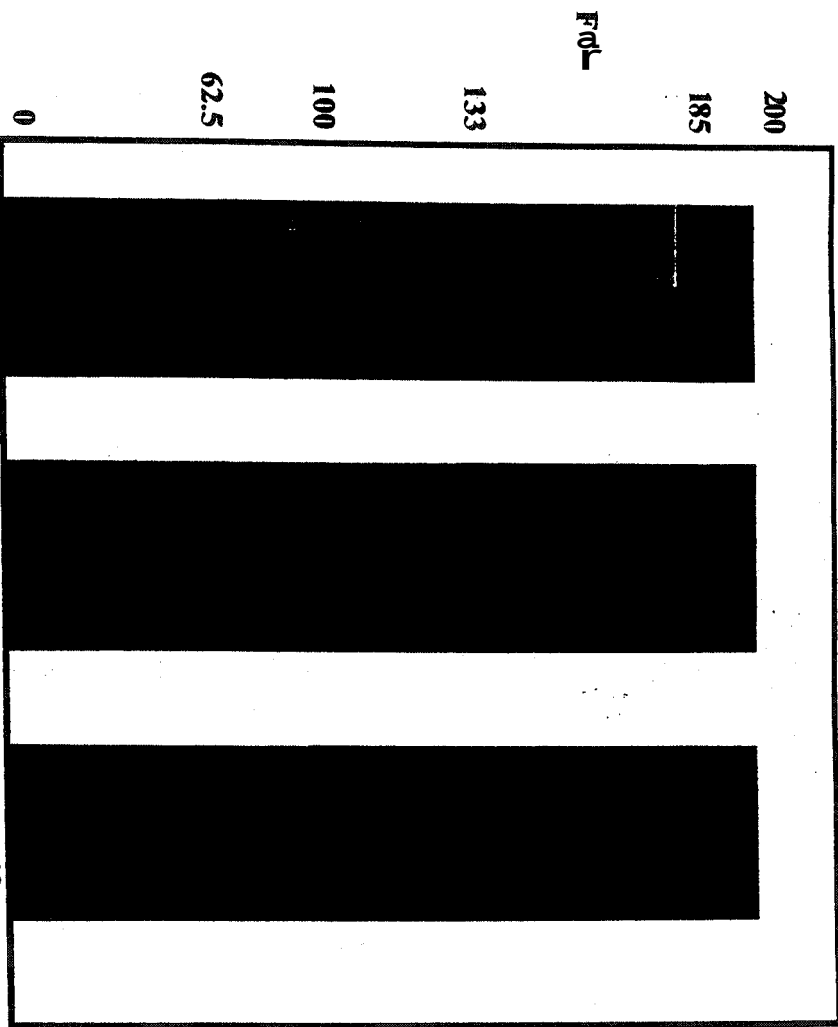
- 10.2.8. ☒ Any other matters the state and the Secretary consider appropriate.
- 10.3. ☒ The state assures it Will comply With future reporting requirements as they are developed.
- 10.4. ☒ The state assures that it Will comply With all applicable Federal laws and regulations, including but not limited to Federal grant requirements and Federal reporting requirements.

ATTACHMENT A



QUEST - 100% FPL
ABD - 100% FPL

TITLE XXI
PROPOSED COVERAGE



<u>0 < 1 YRS:</u>	QUEST - 185% FPL	<u>6 < 19 YRS</u>	QUEST - 100% FPL
ABD	- 185%FPL		ABD - 100% FPL
<u>1 < 6 YRS:</u>	QUEST - 133% FPL		
ABD	- 133% FPL		

TITLE XXI: Coverage of all children under age 19 with family incomes:

< 1	=	186% - 200% FPL
1 - 6	=	134% - 200% FPL
6 - 19	=	101% - 200% FPL

Approval e: Effective e: